



# SANYUAN GROUP LIMITED 三元集團有限公司

*(Incorporated in Hong Kong with limited liability)*

(Stock code: 140)

## RESULTS OF EXTRAORDINARY GENERAL MEETING

The Board is pleased to announce that both ordinary resolutions in respect of the issuing of the Note and the formation of the JV Company respectively were duly passed at the EGM held today.

Reference is made to the circular issued by the Company dated 19th August, 2005 (the “Circular”) in relation to the issuing of the Note and the formation of the JV Company. Capitalised terms used herein shall have the same meanings as those defined in the Circular unless the context requires otherwise.

The Board is pleased to announce that at the EGM, the ordinary resolution in respect of the issuing of the Note and the ordinary resolution in respect of the formation of the JV Company (the “Resolutions”) were duly passed by the Independent Shareholders by way of a poll.

As at the date of this announcement, the total number of Shares in issue is 953,906,963. Hong Jin and its Associates, the holders of 643,835,616 Shares (representing approximately 67.49% of the total number of Shares in issue), have abstained from voting at the EGM in relation to the Resolutions. Accordingly, the total number of Shares entitling the Shareholders to attend and vote for or against the Resolutions at the EGM was 310,071,347, representing approximately 32.51% of the total number of Shares in issue. No Shareholder was entitled to attend but was required to vote only against the Resolutions at the EGM.

Details of the poll results in respect of the Resolutions were set out below:

Ordinary resolutions		Number of Shares (%)	
		For	Against
1.	To approve the Subscription Agreement and all transactions contemplated thereunder or incidental thereto, the issue of the Note pursuant to the terms of the Subscription Agreement and the issue of the Conversion Shares pursuant to the terms and conditions of the Note.	12,799,428 (100%)	Nil
2.	To approve the JV Agreement and all transactions contemplated thereunder or incidental thereto.	12,799,428 (100%)	Nil

Accordingly, the Resolutions were duly passed by way of poll at the EGM.

Secretaries Limited, the share registrars of the Company, acted as the scrutineer for the vote-taking at the EGM.

By Order of the Board of  
**Sanyuan Group Limited**  
**Zhao Tie Liu**  
*Managing Director*

Hong Kong, 5th September, 2005

*As at the date of this announcement, the Board comprises six Directors: Mr. Wu Kwai Yung, Mr. Zhao Tie Liu and Dr. Wan Kwong Kee are the executive Directors; Mr. Zhou Haijun, Mr. Ng Wai Hung and Mr. Xu Zhi are the independent Non-executive Directors.*

Please also refer to the published version of this announcement in China Daily.